



STATE OF ARKANSAS  
**Department of Finance  
and Administration**

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## MEMORANDUM

**TO:** All State Agencies, Board and Commissions and  
Institutions of Higher Education

**FROM:** Joe Giddis, Director  
State Procurement

**DATE:** June 8, 2001

**SUBJECT:** Use of Web Based Buying Services

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Recently we have received a number of questions about using web-based buying services, i.e. buyers.gov, fedcenter.com, amazon.com, govcommerce.net, etc. These types of sites offer an excellent opportunity for buyers to compare prices on commodities in a quick and efficient manner. The Arkansas Procurement Law has specific requirements that must be followed when contemplating purchasing commodities. These requirements must be met whether using web sites or not. This memorandum provides basic guidance when using web based buying services in the procurement of services or commodities.

Arkansas Law requires competitive bidding for commodities or services costing \$5,000 to \$25,000 and sealed bids over \$25,000. When purchasing competitively (i.e. quote bids) these web sites may be used to obtain a quote to be compared with two or more other quotes before determining the "lowest bid." However, since obtaining pricing on web sites does not comply with the sealed bidding procedures they may only be used to determine who should be sent bids, for a sealed response.

If you have any questions or concerns please contact me or Dudley Meadows at 324-9312 or by e-mail at [dudley.meadows@dfa.state.ar.us](mailto:dudley.meadows@dfa.state.ar.us) or [joe.giddis@dfa.state.ar.us](mailto:joe.giddis@dfa.state.ar.us).

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